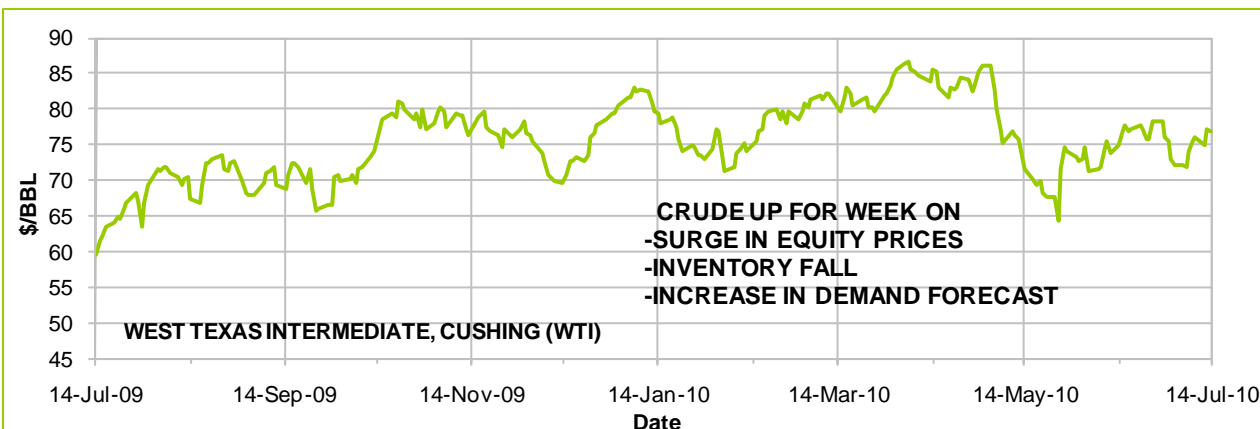


## Crude Oil



As an encore to last week's 5 million barrel decline, falling imports, increased refinery inputs, and a decrease in production have lead to a 5.1 million barrel decline in inventories this week. This compares to an expected decline of only 2 million and a 5-year average decline of 2.2 million. Crude stocks are 2.4% above last year and 7.0% above the 5-year average. Despite another larger than expected weekly decline, for this time period, inventory levels are at their highest level since 1993.

Crude prices rose this week on gains in equity prices and falling crude inventories. The increases were tempered by gains in refined products inventories and weak product demand. Spot prices and futures were up \$2.97 and \$2.50 for the week. The spot price settled at \$77.00, \$17.41 (29.2%) higher than a year ago. Futures prices were at \$79.37, \$15.46 (24.2%) higher than last year. Both prices are about 46% below 2008's peak price.

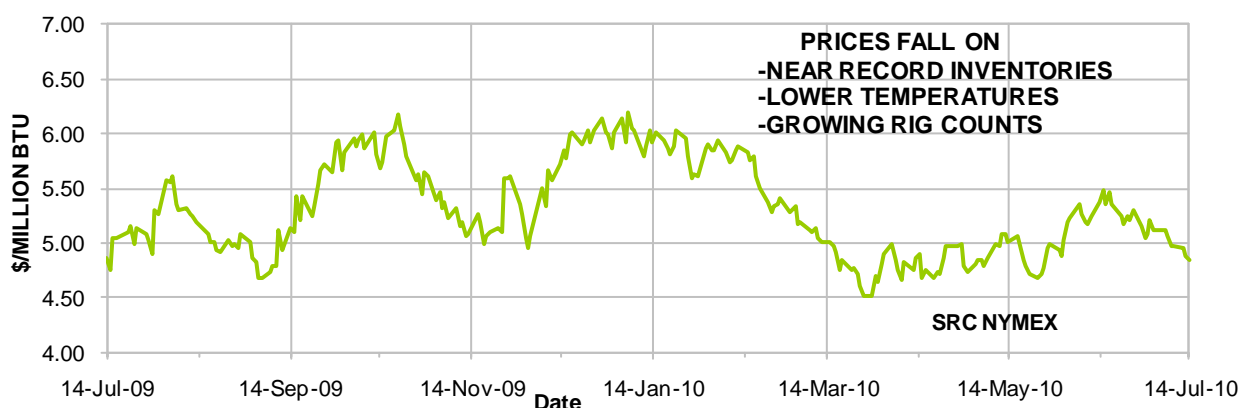


## Natural gas



Inventories rose by 78 BCF again this past week. This was 12.0% below the 5-year average gain of 89 BCF. Over the past 17 weeks inventories are up by 1225 BCF, the highest ever for this period, and 19.6% higher than the normal gain of 1024 BCF. At 2,840 BCF, this week's inventory level is 10.7% above the 5-year average but trails last year's record high of 2,873 BCF by 1.2%. Inventories are at near record levels despite U.S. cooling degrees days running 19% above normal.

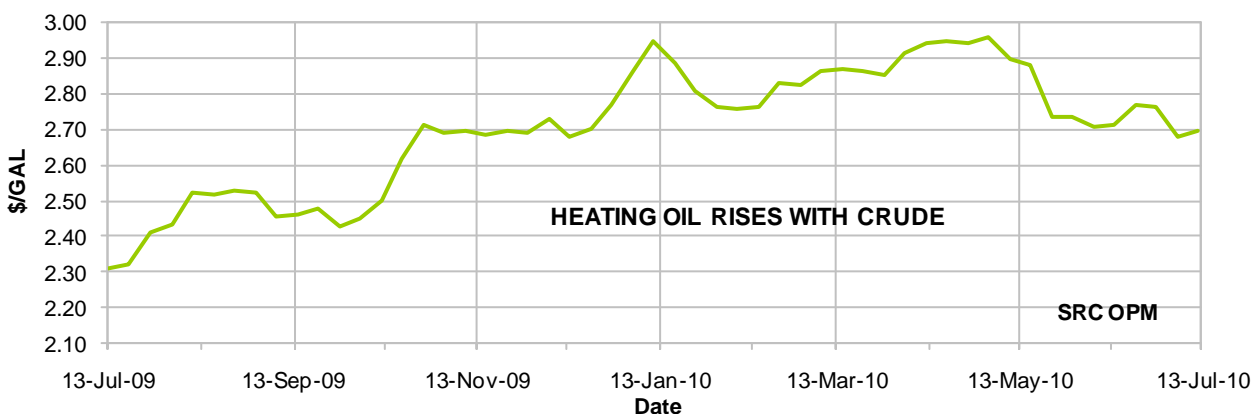
With the demise of storm threats, near record inventory levels, and the return of less torrid temperatures, prices have continued to decline. Futures prices settled at \$4.838 per million BTU, down 22.6 cents for the week, down 51.7 cents over the past 4 weeks, and 0.3% lower than a year ago. They are 63.7% below their 2008 peak. Spot prices are down by 34.0 cents for the week and 71.0 cents over the past 4 weeks. At \$4.420 per million BTU, they are 34.4% higher than a year ago but 66.8% below their 2008 peak price.





Distillate stocks grew by 2.9 million barrels this past week as increased production and falling demand offset a large decrease in imports. This increase was more than 4 times the expected gain of 0.7 million and 56% above the 5-year average of 1.9 million. Inventory levels are 2.2% above last year and 23.7% above the five-year average

The 12 month strip rose by 6.0 cents this week as prices followed crude upward. It is now at \$2.142/gal, 46.5 cents (27.7%) higher than a year ago. The spot price rose 4.6 cents this week and is at \$1.999 /gal, 52.3 cents (35.5%) above last year. Prices are 50% below their 2008 peak prices. Retail prices grew by 1.4 cents this week after falling by 8.7 cents the previous 2 weeks. At \$2.695/gal, retail prices are 38.7 cents (16.8%) above a year ago but are \$2.071 (43.5%) below their 2008 peak price. The highest price in this week's survey was \$3.299 and the lowest was \$2.329. According to census data, 49.1% of dwelling units in Connecticut heat with oil.



## Connecticut Regional Heating Oil Prices

|           | FAIRFIELD  |       |       | HARTFORD  |       |       | NEW LONDON      |       |       |
|-----------|------------|-------|-------|-----------|-------|-------|-----------------|-------|-------|
|           | AVG        | HIGH  | LOW   | AVG       | HIGH  | LOW   | AVG             | HIGH  | LOW   |
| 13-Jul-09 | 2.456      | 2.899 | 2.199 | 2.286     | 2.999 | 1.799 | 2.287           | 2.510 | 2.009 |
| 28-Jun-10 | 2.912      | 3.399 | 2.540 | 2.738     | 3.199 | 2.299 | 2.726           | 2.880 | 2.560 |
| 5-Jul-10  | 2.833      | 3.299 | 2.290 | 2.658     | 3.199 | 2.099 | 2.663           | 2.880 | 2.440 |
| 12-Jul-10 | 2.839      | 3.299 | 2.340 | 2.682     | 3.199 | 2.329 | 2.673           | 2.880 | 2.440 |
|           | LITCHFIELD |       |       | MIDDLESEX |       |       | TOLLAND-WINDHAM |       |       |
|           | AVG        | HIGH  | LOW   | AVG       | HIGH  | LOW   | AVG             | HIGH  | LOW   |
| 13-Jul-09 | 2.309      | 2.499 | 2.099 | 2.339     | 2.499 | 2.150 | 2.281           | 2.399 | 2.150 |
| 28-Jun-10 | 2.735      | 2.799 | 2.689 | 2.812     | 2.899 | 2.690 | 2.699           | 2.849 | 2.449 |
| 5-Jul-10  | 2.625      | 2.799 | 2.449 | 2.741     | 2.899 | 2.499 | 2.601           | 2.799 | 2.429 |
| 12-Jul-10 | 2.621      | 2.679 | 2.559 | 2.734     | 2.899 | 2.499 | 2.611           | 2.799 | 2.429 |
|           | NEW HAVEN  |       |       |           |       |       |                 |       |       |
|           | AVG        | HIGH  | LOW   |           |       |       |                 |       |       |
| 13-Jul-09 | 2.239      | 2.490 | 1.829 |           |       |       |                 |       |       |
| 28-Jun-10 | 2.699      | 2.959 | 2.399 |           |       |       |                 |       |       |
| 5-Jul-10  | 2.614      | 2.840 | 2.299 |           |       |       |                 |       |       |
| 12-Jul-10 | 2.641      | 2.899 | 2.359 |           |       |       |                 |       |       |

OPM conducts a weekly survey of retail heating oil prices in Connecticut. These figures reference the most recent results of that survey for the reporting week beginning July 12, 2010. Figures reflect per gallon prices without discount.

For more information, see [www.ct.gov/OPM](http://www.ct.gov/OPM) > Energy Management > Energy Price and Supply Information

# Propane



Propane inventories had another weekly gain of 1.9 million barrels. This was about 10% less than the 5-year average gain of 2.1 million as weak demand failed to offset declines in production and falling imports. Over the past 17 weeks inventories have grown by 26.5 million barrels, 22% above the 5-year average change of only 22.2 million for this time period. Current storage levels now trail last year's levels by 19.4% and are 2.0% below the 5-year average.

Spot propane prices rose by 2.0 cents this past week as they followed crude oil prices upward. Prices had fallen by 11.9 cents over the previous 5 weeks. At \$1.000 per gallon yesterday, spot prices are 28.4 cents (39.7%) higher than a year ago but 49.5% lower than their peak 2008 price. According to census data, 2.7% of homes in Connecticut are heated by propane.



# Gasoline



Gasoline inventories rose by 1.6 million barrels this past week as lower demand and increased production offset a decline in imports. The increase was 8 times the 5-year average and more than 5 times the expected gain. Inventories levels are 3.1% above last year and 4.5% above the 5-year average. Stocks are at their highest level for this date since 1993.

Both spot and futures prices have been following the path of crude oil, up for the week but down over the previous 3 weeks. At \$2.051/gal, futures were up 5.7 cents for the week and 39.4 cents (23.8%) higher than last year. At \$1.991/gal, the spot price was up 1.9 cents for the week and it is 39.8 cents (25.0%) higher than a year ago. Spot prices and futures prices are about 43% below their 2008 peaks. Retail prices fell by 1.5 cents this past week and 3.9 cents over the past 2 weeks. At \$2.858/gal, retail prices are 15.8 cents (5.9%) higher than a year ago but they are 34.9% (\$1.532) below 2008's peak.

